



# 129th MAINE LEGISLATURE

**LD 984**

**LR 807(01)**

**Resolve, To Increase Funding for Children's Behavioral Health Issues in Order To Return to the State Children Who Are Currently Housed in Residential Treatment Systems outside of the State and To Suspend Certain Contracts Related to Psychiatric Residential Treatment Facilities**

**Preliminary Fiscal Impact Statement for Original Bill**

**Sponsor: Rep. Gramlich of Old Orchard Beach**

**Committee: Health and Human Services**

**Fiscal Note Required: Yes**

## Preliminary Fiscal Impact Statement

	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>Projections FY 2021-22</b>	<b>Projections FY 2022-23</b>
<b>Net Cost (Savings)</b>				
General Fund	\$6,578,135	\$8,770,847	\$8,770,847	\$8,770,847
<b>Appropriations/Allocations</b>				
General Fund	\$6,578,135	\$8,770,847	\$8,770,847	\$8,770,847
Federal Expenditures Fund	\$13,488,349	\$17,984,466	\$17,984,466	\$17,984,466
Other Special Revenue Funds	\$839,203	\$1,118,937	\$1,118,937	\$1,118,937
<b>Revenue</b>				
Federal Expenditures Fund	\$13,488,349	\$17,984,466	\$17,984,466	\$17,984,466
Other Special Revenue Funds	\$839,203	\$1,118,937	\$1,118,937	\$1,118,937

### Fiscal Detail and Notes

The bill includes General Fund appropriations to the Department of Health and Human Services of \$6,578,135 in fiscal year 2019-20 and \$8,770,847 in fiscal year 2020-21 to increase rates in Chapter 101: MaineCare Benefits Manual, Chapter III, Section 65, Behavioral Health Services, Children's Home and Community Based Treatment by 30% and in Chapter 101: MaineCare Benefits Manual, Chapter III, Section 97, Appendix D, Principles of Reimbursement for Child Care Facilities, by 30%.

A more current estimate would increase the FY 2019-20 General Fund appropriation by \$24,933,966 to \$31,512,101 and the FY 2020-21 General Fund appropriation by \$33,175,289 to \$41,946,136. This change was precipitated by PL 2017 c. 460 which increased rates for services in Sections 17, 23 and 65 which are included in the Clinic Upper Payment Limit calculations. The impact of those increases put the department at or slightly above the amount allowed to be paid by the Centers for Medicare and Medicaid Services. As a result, the rate increase in this bill related to Section 65 would have to be paid with state general fund money only. Additionally, the original estimate did not account for the rate increases in PL 2017 c. 460 and thus were low and need to be adjusted. This new estimate assumes the impact of these increases before the additional increase of 30% required by the bill.